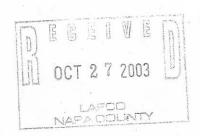


NAPA VALLEY UNIFIED SCHOOL DISTRICT

October 22, 2003

Daniel Schwarz
Executive Officer
Local Agency Formation Commission
Of Napa County
1195 Third Street
Napa, California 94559-3082



Re:

Annexation Proceedings Connected With Napa Valley Unified School District Parcel Located Adjacent To The City of American Canyon

Dear Mr. Schwarz:

The Napa Valley Unified School District ("District") requests an expedited processing of the soon to be filed application for annexation of the District high school site property, Assessors Parcel No. 059-040-054. The high school site property is located northeast of the intersection of American Canyon Road and Flosden Road, and the majority of the property lies in the unincorporated portion of the County of Napa ("County") adjacent to the City of American Canyon ("City"). It is my understanding that a portion of the property is already located within the city limits.

As you are aware, the property is currently the subject of the Sphere Of Influence Amendment to the City. We have had separate conversations with representatives of both the City and County and are supportive of their proposed agreement. Additional actions, which must be accomplished before the City will file for application of this Project, are now the subject of a proposed agreement between the City and the County dealing with other issues including affordable housing. However, it is understood that the Property Tax Allocation Agreement could be accomplished as soon as the end of this year.

It is also unclear whether the prezoning requirement for annexation would be applicable as it is our understanding that the zoning of property consistent with an educational use is not necessary for District use, according to Government Code section 53094. Also, several City officials have indicated that the furnishing of services to the District site, both during construction and after completion, would be much easier if the Project has, in fact, been annexed to the City. From the District's perspective, because of the property's location in respect to the current City boundaries, it is unclear that any other local agency could furnish our school site with the municipal services required.

Accordingly, I am requesting, upon completion of the necessary pre-conditions of the Property Tax Allocation Agreement and rezoning if necessary, that the application for annexation be expedited to make it possible for the District to move ahead in planning a high school to address educational needs in the southern portion of the County.

Thank you for your support and please feel free to contact me if you have any questions.

Sincerely,

John P. Glaser Superintendent

JPG:dm

Cc: Don Colcleaser, Mayor City of American Canyon

Members of the American Canyon City Council Mark Joseph, American Canyon City Manager William D. Ross, American Canyon City Attorney

Bill Chiat, County of Napa Administrator Napa County Board of Supervisors

Sally Jensen-Dutcher, General Counsel for Napa Valley Unified School District

TO: Daniel Schwarz Executive Officer Local Agency Formation Commission

April 28, 03



From: Joe & Lorraine Clerici

Subject: Comments relative to American Canyons on going sphere of influence study

We feel it a duty to provide LAFCO with any information that may aid in a proper decision regarding the subject SOI. As a long time resident of Napa junction area I personally watched the development of the area from grassland to city status.

In view of fact that the city is in the process of running sewer and a waste water line up Watson Lane without, to my knowledge, approval from any county governing office I provide the following information.

My letter of 23 March to LAFCO discussed the fact that AM CAN is doing what is phase one of the operation to run sewer and waste water line up Watson Lane by stubbing these lines off at the entry of the Lane. Phase two will shove it, the waste water all the way to a holding facility in the hills east of the end of the Lane. This is our main concern and it has not been defined to date. These hills do have a high slope percentage to perhaps 30% and numerous landslide scars are very evident. With significant rainfall, which we have not seen for some time, the soils become very unstable. From the end of Watson Lane to about 1 mile east and 2 miles north my count of slides of a width of from 10 to 50 meters was at least 8. I understand that a professional will make any final determination but consider it very presumptuous that the city is putting in pipe before any approval has been granted by the county?

According to the LAFCO report of 10 April,2003 [pg 14] waste water flow at build out would be about 1/3 of 2.21 million gallons per day. Recognizing that only a portion of that will be scheduled to flow in the 12 inch line to their prospective holding facility it is assumed that the unit will be quite large and any distribution system would only add to further soil de-stabilizing.

It should also be noted that the pipe route up this Lane and into the hills east will have to pass thru a maze of water and gas lines and go under a railroad, cross a PG&E high pressure gas main, then cross 3 Vallejo water lines of which one is a 30 inch pipe.

The vital concern is will the environment hold still with it's known past history and with no regards to the impending earthquake outlook now being stressed as a near future assurance by the media.

As to AM CANS request to include Watson Lane in their SOI [pg 8] of LAFCOS 10 April report, this shows as a CREEP EXPANSION of their SOI which should not be allowed just because they inherited our potable water line and the road "Paoli Loop which we use to get to HY 29.

Todays city need all the help they can get to protect them from themselves. Expansion can only be finalized when the city folks pick up the tab to provide all the necessary things like roads, schools and the many services not covered by the developer. The proposed modification to American Canyon road is a fine example with the congestion caused by the recent housing development to the east of the city.

I trust that this information will be of some value to all concerned and if I can be of any further help please advise.

THANK YOU?

CITY OF AMERICAN CANYON

Administration

Gateway to the Napa Valley



Sent via Facsimile and US Mail

February 14, 2003

Daniel Schwarz, Executive Officer Napa County Local Agency Formation Commission 1804 Soscol Ave., Suite 205A Napa, CA 94559-1346



Re: Comments on proposed American Canyon Sphere Of Influence (SOI)

Dear Mr. Schwarz:

First, I would like to thank you for making a presentation before our City Council on February 6, 2003. I believe it was well received by the City Council and it is another example of an improved working relationship between the City and LAFCO.

Consistent with Council comments, I am also sending you this letter to confirm the City's interest in adding to its proposed SOI the parcels west of the current City limits to the Napa River. This would include the Landfill site, as well as lands owned by the Department of Fish & Game (DFG). I have attached a map showing the specific parcels.

The reason for this request is threefold. First, all of the land in question is publicly owned, and will be left in either permanent open space or for outdoor recreational purposes. As such, the City, which has an active Community Services Department, is in a better position to manage these open spaces or recreational lands than the County, which does not have a Parks Department. Second, current City Ordinances do not allow the discharge of firearms inside City limits. We anticipate transferring some 400 acres of the lands in question and currently owned by the City, to the DFG. This land is directly west of new homes. The City is concerned that DFG, which allows hunting on its properties, might allow hunting too close to our residents. The third reason is financial. Lands owned by the City (and we would expect to still retain ownership of some 40-50 acres as well as possibly the landfill site) and outside City limits, is subject to property taxation. Insofar as these parcels are for public use, the tax would just make it more expensive to maintain.

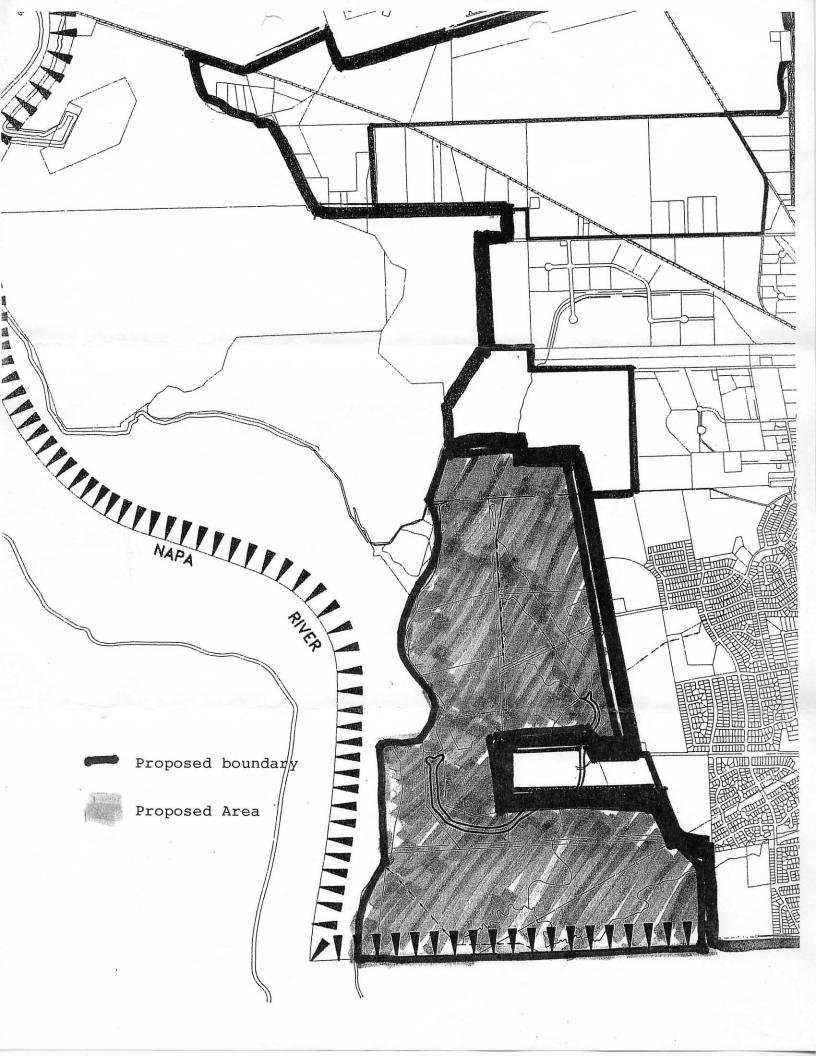
I hope you will consider including these parcels in your final recommendations for a revised SOI for the City of American Canyon. Please let me know if you need any additional information. I can be reached at (707) 647-4352, or by e-mail at marki@ci.american-canyon.ca.us

Sincerely,

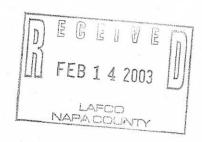
Mark Joseph City Manager

CC

City Council City Attorney Planning Director







February 14, 2003

Daniel Schwarz, Executive Officer LAFCO of Napa County 1804 Soscol Avenue, Suite 205 A Napa, CA 94559-1346

Re: Comprehensive Study of American Canyon and Public Workshop Report

Dear Mr. Schwarz:

I attended the July 30th Informational Meeting regarding the Comprehensive Study of American Canyon on behalf of Jaeger Vineyards and a representative attended the January 9, 2003 Public Workshop. Both presentations were informative and we appreciate your efforts.

As you know, I sent you a letter in August of 2002, responding to the initial draft of the Comprehensive Study of American Canyon, which letter is now part of the public record. This letter is in response to the Comprehensive Study of American Canyon issued in November of 2002 (the "LAFCO Study"). Jaeger Vineyards is a major landowner within the Study Area, in particular, Study Areas 3 and 4. The Jaeger Vineyards parcels have multiple uses including vineyards, old buildings from previous industrial uses, lumber storage yards, residential and other commercial activities. Secondly, the parcels include land within American Canyon, land within the American Canyon Sphere of Influence, and portions of parcels in unincorporated Napa County. With respect to a major portion of its property, Jaeger Vineyards has spent a substantial sum of money and a great deal of effort in studying the constraints and opportunities for the best use of the land.

After reviewing the LAFCO Study and attached Areas Maps, and listening to the objectives of the LAFCO Study, we have the following comments:

HOME OFFICE TELEPHONE: (858) 755-7566

Daniel Schwarz, Executive Officer February 14, 2003 Page 2

- 1. Map #4 of the LAFCO Study incorrectly designates a portion of our land as being vineyard, when in fact this land has never been used as an operating grape growing vineyard. The land is vacant, except for an insignificant portion that was used to grow root stock, which has since been abandoned. This land is the rectangular piece of property comprised of 134 acres that abuts the railroad tracks and is referred to as Assessor's Parcel Numbers 059-020-008 & 059-020-009 (the "Napa Junction Depot Land" or "NJDL"). I called you to alert you to this fact, and I am hereby requesting that this designation be changed to "vacant".
- 2. We hereby request that the Sphere of Influence be amended to include the Napa Junction Depot Land. The reasons for including the Napa Junction Depot Land, include, but are not limited to the following:
 - a. The Napa Junction Depot Land is not being used as a Vineyard and is not suitable for agricultural purposes.
 - b. The Napa Junction Depot Land is flat, adjacent to existing or future commercial uses, adjacent to the existing railroad line and well outside of any possible slope or hillside concerns.
 - c. The southeasterly portion of the Napa J inction Depot Land is adjacent to a large commercial enterprise commonly known as Golden State Lumber. Directly to the south is land that is owned by Jaeger Vineyards that is designated for a Town Center. A large retail center is being proposed for the piece of land immediately to the west of the NJDL. Any and all of this activity has an affect on the NJDL in its current vacant state and potential future uses. Because the City is or will be providing services to these other projects, the City is the most likely provider of municipal service to the NJDL, and it is anticipated that the NJDL will require a level of municipal services offered by the City.

Daniel Schwarz, Executive Officer February 14, 2003 Page 3

- d. Because Jaeger Vineyards owns the land that is designated as the future Town Center of American Canyon, it is logical that this adjacent NJDL may at some time be annexed to the City in order to facilitate this future use. Thus, there are social and economic interests that are relevant to the NJDL that should be studied in the context of the City's future needs.
- e. The extension of Flosden Road as a parallel roadway to Highway 29 is an important element of the City's and County's traffic plans. Currently, this extension is planned to commence as part of the Duc housing subdivision which is immediately south of the lands owned by Jaeger Vineyards, and that are designated for Town Center use. In order to facilitate the further extension of Flosden Road, the NJDL should be included in the sphere of influence of the City. This will allow the city to better plan this critical North/South Route by being able to assess and plan for the constraints and opportunities through this corridor. In addition, there are significant challenges to connect the Flosden Road extension to the West, given the location of the railroad tracks. This will allow the City to work with one owner (Jaeger Vineyards) on the further extension of this important roadway.

Thank you for allowing Jaeger Vineyards to participate in this process and please keep me informed of your progress. Please call me at your earliest convenience if you have any questions or concerns with the important changes discussed above.

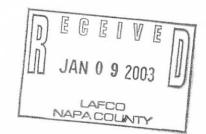
Very truly yours,

Jaeger Vineyards, I

Cc: Mike Anderson, Aegis Realty

William D. Ross Robert D. Pontelle Scott E. Porter

Lisabeth D. Rothman Diane C. De Felice Of Counsel



Law Offices of

William D. Ross

A Professional Corporation 520 South Grand Avenue, Suite 300 Los Angeles, CA 90071-2610 Telephone: (213) 892-1592

Facsimile: (213) 892-1519

Palo Alto Office:

400 Lambert Street Palo Alto, California 94306 Telephone: (650) 843-8080 Facsimile: (650) 843-8084

File Nos: 199/3; 199/6

January 9, 2003

The Honorable Harry Martin, Chair and Members of the Local Agency Formation Commission of Napa County 1195 Third Street, Room 305 Napa, California 94559

Re:

Commission Agenda Item No. 8; Comprehensive Study Of The

City Of American Canyon (Workshop)

Dear Chair Martin and Members of the Commission:

This communication summarizes oral remarks which will be made at your meeting of this date concerning the Commission workshop on the Staff Comprehensive Study of the City of American Canyon (the "Study") on behalf of the City of American Canyon ("City") and the American Canyon Fire Protection District, a subsidiary special district of the City (the "District").

The City and the District, reserve the right to comment further on the staff presentation before your Commission.

The Study is described as being accomplished under the provisions of Government Code section 56430 for the City. Government Code section 56430 was added to the Cortese-Knox Local Government Reorganization Act of 1985 by Chapter 761 Stats. 2000, a comprehensive revision to the Local Agency Formation Commission ("LAFCO") enabling statutes, Government Code Section 56000 *et seq.* The report accomplished by the Commission on Local Government for the 21st Century entitled "Growth Within Bounds" is designated as the statement of legislative intent for Chapter 761.

In "Growth Within Bounds," the subject of a service review was derived from Commission Recommendation 6-7 which provides as follows:

"The Commission recommends that LAFCOs be required to periodically initiate service review of services provided within the counties. The service review is defined as an independent countywide or sub regional, as appropriate to the service, review by LAFCO of public services offered by the various local governments. The review should be done in conjunction with any update of spheres of

The Honorable Henry Martin, Chair January 9, 2003 Page 2

influence. The service review should not replace designations and updates of spheres of influence, but should be conducted in the establishment or amendment of any spheres. It is the intent of the Commission that this function be considered a state mandate because of the benefits of achieving a logical extension of local services to meet California's future growth and development."

Accordingly on a general basis the City and District believe that the Study should clearly indicate the exact region of the County involved with inclusion of all logically adjacent and accessible parcels¹ and the local agencies which can or have claimed to be able to provide service to the areas involved.

Also, the City believes that the Study should be accomplished in conjunction with the subsidiary Special District of the City as there is an integrated form of government (service provider) with respect to the subsidiary Special District, as the City Council sits *ex officio* as the Board of Directors of the District.

Further, decisions on development within the current District boundaries and in areas adjacent to the current District boundaries by the County must obtain clearance for the fire and life safety services authorized by the District. Accordingly, an integrated Study analysis of both the City and District would be the most comprehensive methodology for evaluation of public safety services.

Certain assumptions or analogies within the Study need further expansion as to their factual applicability or accuracy.

For example on page 8 the reference to the City of Lakewood plan for contracting for municipal services is specifically not the mode that has been utilized in Los Angeles or other urbanized counties for the provision of fire and life safety services. In Los Angeles County the majority provider for fire and life safety services is a separate special district, the Consolidate Fire Protection District of Los Angeles County which includes among other cities, the City of Lakewood. The same approach is utilized in other counties, for example Ventura, Santa Clara, and Contra Costa, among others.

Again, both the City and the District believe that this is an issue that should be dealt with exactly in the Study as areas that are either currently within the District or adjacent to the District that are still subject to land use control by the County. Therefore, the Study should include an analysis of how the County through its contract with the California Division of Forestry might or could be able to provide fire and life services to the area, if in fact that is the position of the County.

¹ For example, the area recommended for inclusion should in all respects parallel the area served by the City's water and sewer systems.

The Honorable Henry Martin, Chair January 9, 2003 Page 3

The Housing and Community Development analysis on page 10 should be revised to reflect the fact that the State Department of Housing and Community Development certified the revised Housing Element of the City by letter dated December 27, 2002, a copy of which is enclosed.

With respect to the portion of the Study dealing with water service on page 12 the City believes it is important to acknowledge the current issue associated with the Imperial and Coachella Irrigation Districts in Southern California which could have an effect on water supplies through the North Bay Aqueduct because of its linkage with the State Water Project and the potential for the Metropolitan Water District of Southern California making a demand on that water supply system as opposed to the Colorado River. Additionally, any discussion of water supply should also discuss the continuing effect of the *Pacific Conservation League* litigation and its relationship to the Monterey Agreements and the whole process statewide of water-wheeling.

With respect to the discussion on the waste water treatment plant that should be integrated specifically with the City's request for annexation of that property to the City, a mandatory change of organization once the application is completed before your Commission.

Study Determination 5.3 needs to be revised as the last sentence is not factually accurate – it is unclear that there is evidence to support the contention that the City's reserves would be "severely taxed."

The City and District would also emphasize the present assumptions on municipal finances in the Study may not be valid in the immediate future based on the State's response to the current and ongoing State deficit.

The City would emphasize that consistent with the legislative intent of Government Code section 56430 that the Municipal Service Review is not a condition precedent to any application for change of organization initiated by either the City or the District which otherwise complies with applicable law, including without limitation the annexation of the City waste water treatment plant to the City.

Thank you for your review and consideration of the matters set forth in this communication.

Please ensure that adequate notice of the Commission's consideration of the Study for adoption is given.

Very truly yours,

William D.L

William D. Ross

WDR:blp

The Honorable Henry Martin, Chair January 9, 2003 Page 4

Enclosure

cc:

The Honorable Donald Colcleaser, Mayor and Members of the City Counsel

Mr. Mark Joseph, City Manager

Mr. Keith Caldwell, District Chief

STATE OF CALIFORNIA -BUSINESS, TRANSPORTATION, AND HOUSING AGENCY

GRAY DAVIS GOVERNOT

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT Division of Housing Policy Development

(800 Third Street, Suite 430 P. O. Box 952053 Sucramento, CA 94252-2053 http://housling.hed.ca.gov (916) 323-3176 / FAX: (916) 327-2643

December 27, 2002

Ms. Nancy Johnson and Mr. Ed Haworth Interim Directors Planning Department City of American Canyon 2185 Elliott Drive American Canyon, California 94589-1331

Dear Ms. Johnson and Mr. Haworth:

RE: Review of the City of American Canyon's Revised Draft Housing Element

Thank you for submitting revisions to American Canyon's draft housing element received for our review on October 28, 2002 along with a facsimile transmission, received December 23, 2002. As you know, the Department of Housing and Community Development (Department) is required to review draft housing elements and report our findings to the locality pursuant to Government Code Section 65585(b). Our review was facilitated by a meeting in American Canyon on September 16, 2002 and by subsequent e-mails and telephone conversations.

The revisions to the draft element substantially address the statutory requirements described in our August 30, 2002 review. These revisions, for example, reassess the realistic development potential of sites within the current planning period and include a stronger commitment from the City to promote density bonuses and provide regulatory and financial incentives. As a result, we are pleased to find the City of American Canyon's draft housing element meets the requirements of State housing element law (Article 10.6 of the Government Code). The revised element will be in full compliance with the law when it is adopted and submitted to this Department, pursuant to Government Code Section 65585(h).

The Department's finding of compliance is conditioned on the provision of adequate sites to accommodate the City's regional housing need, especially for low- and moderate-income households, in the Community Commercial, Neighborhood Commercial, and Residential Medium Density zoning districts and Specific Plan areas, within the current planning period (pages A-47-58). In particular, the City plans to facilitate affordable multifamily residential and mixed-use development at a minimum of 16 dwelling units per acre. The City has also committed to facilitating development of at least 140 affordable units in the Southeast Area Specific Plan (pages A-54 and A-55). Incentives described (pages A-42 and A-43) are critical to addressing American Canyon's share of the regional housing need for low- and moderate-income households. Should housing programs, policies and incentives not be implemented as specified, or if development is not proceeding as projected to allow accommodation of American Canyon's regional housing need within the planning period, the element must be promptly amended to identify additional sites with appropriate zoning or alternative site and land-use strategies.



Ms. Nancy Johnson and Mr. Ed Haworth Page 2

The City should utilize the annual general plan progress report required pursuant to Government Code Section 65400 to monitor and report on its progress in implementing identified programs. These reports are required to be completed and submitted to the Department by October 1 of each year. Failure to submit forthcoming annual reports by the due dates, with the necessary evaluation and information, will trigger a review by the Department of the implementation status of identified programs, actions, and incentives.

We appreciate the City's diligence in crafting a housing element that substantially complies with State law and that establishes land-use standards and incentives to promote mixed-use and affordable multifamily housing development. If we can assist the City in its implementation efforts, please contact Margaret Murphy, of our staff, at (916) 445-5888.

We are also pleased to report, as a result of the approval of Proposition 46, a historic increase in funds available through the Department to assist the City in addressing housing and community development needs. Information on these programs, including Notices of Funding Availability (NOFA), will be posted on the Department's website. For program information and funding availability, please consult our homepage at www.hcd.ca.gov.

In accordance with their requests pursuant to the Public Records Act, we are forwarding a copy of this letter to the individuals listed below.

Sincerely,

Cathy E. Creswell
Deputy Director

Flen A. Campon

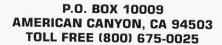
Enclosure

Jeff Goldman, Cotton Bridges and Associates, Inc.
Jennifer Adge, Parsons Harland Bartholomew & Associates, Inc
Mark Stivers, Senate Committee on Housing & Community Development
Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Kimberley Dellinger, California Building Industry Association
Marcia Salkin, California Association of Realtors
Mare Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, Civic Solutions
Deanna Kitamura, Western Center on Law and Poverty
S. Lynn Martinez, Western Center on Law and Poverty
Alexander Abbe, Law Firm of Richards, Watson & Gershon
Ruben Duran, Law Firm of Neufield, Jaffe & Levin

Ms. Nancy Johnson and Mr. Ed Haworth Page 3

Ilene J. Jacobs, California Rural Legal Assistance, Inc.
Keith Wagner, Law Office of J. William Yeates
David Booher, California Housing Council
Sue Hestor, Attorney at Law
Paul Campos, Home Builders Assoc. of Northern California
Shannon Dodge, Non-Profit Housing Association of Northern California
Eve Bach, Arc Ecology
William Litt, Bay Area Legal Aid
Allison Brooks, Livable Communities Initiative
Charlie Carson, Home Builders Association - Northern Division







December 20, 2002

To: Local Agency Formation Commission Daniel Schwarz, Executive Officer 1804 Soscol Avenue, Suite 205A Napa, CA 94559

RE: 1208 Green Island Road, American Canyon

Dear Mr. Schwarz,

We own the property at 1208 Green Island Road. We hope to develop this piece of property in the near future to relocate our business onto. We would like LAFCO to include our property into the City of American Canyon's sphere of influence. Thank you for your consideration.

Curt McMahon

FROST & HEALY

ATTORNEYS AT LAW

Norbert U. Frost Daniel J. Healy Thomas R. Healy

1517 Tennessee Street Vallejo, California 94590 707-643-5696 Telephone 707-643-1910 Facsimile

Napa Office 811 Coombs Street, Suite A Napa, CA 94559 Tele 707-254-8300

e-mail: nuf@frosthealy.com

Via facsimile 251-1053

November 15, 2002

Daniel Schwartz Local Agency Formation Commission of Napa County 1804 Soscol Avenue, Suite 205A Napa, CA 94559-1346

Dear Mr. Schwartz:

Thank you for taking the time to meet with me and Mssrs. Pilotti, Price and Brock. As you know, I am Patricia K. Couch's legal counsel. Patricia Couch and Robert L. Couch, Jr. own what was a 165 +/- acre parcel of land, 2 Eucalyptus Drive, American Canyon, commonly referred to as the eucalyptus grove located just north of Eucalyptus Drive and east of the landfill. The city acquired the westerly portion of the Couch property, 58 of the 165 acres, via an eminent domain action in 2000. The 58 acres now is the home to the city's new wastewater treatment plant.

As discussed in our meeting, I am providing this letter and some additional documentation in support of the Couch property being placed within the City of American Canyon's sphere of influence and annexation into the City of American Canyon. All objective factors support this result. The property is surrounded by properties within the American Canyon city limits or owned by the City. It has the legal right to American Canyon city water and sewer service. The City supported annexation and offered the Couchs the opportunity to proceed with a joint annexation application.

The City of American Canyon has made no secret of its plans to seek annexation of the 58 acre parcel. Failure to make the Couch 106 acre parcel part of the city would leave an island within Napa County's jurisdiction surrounded by a sea within the City of American Canyon's jursidiction. Such hodge podge land use and jurisdictional boundaries are not goals LAFCO or the city should pursue or encourage.

However, the city knew precisely that it was creating such an island when it considered alternatives for siting the treatment plant. One of their initial proposals was to place the plant in the center of the eucalyptus grove and purchase the entire 165 acres from the Couchs. Their offers, however, never matched the fair market value of the property. The city then successfully pursued siting the plant in the westerly corner of the 165 acre parcel and merely acquiring 58

acres. This strategy left the Couchs' 106 acre remainder parcel to the east a lonely island of land within the county's jurisdiction.

The city argues both sides of the fence regarding the Couch property to best suit the needs they are trying to fulfill at any given time. When the city was trying to acquire the 58 acres by purchase offer and then through eminent domain proceedings, the city argued that the land's value was low based upon: its agricultural watershed zoning designation; its highest and best use was as a vineyard; the presence of a dense eucalyptus forest made growing grapes difficult and prohibitively expensive; there was no water source for the property to irrigate the vineyard; and the city would not grant the property water rights because it was outside the city limits. In other words, the city argued that it should be a vineyard, but there is no way that will ever be feasible.

The city changed its tune months later when it required land to extend Commerce Boulevard south to Eucalyptus Drive and for a temporary haul route for thousands of truckloads of Highway 29-Trancas Street interchange soil to be deposited at the old American Canyon landfill. The Couchs accommodated the city and granted it land for both the permanent roadway and the temporary haul route. In a new spirit of cooperation, city staff said it supported annexation and proposed in writing that the Couchs join forces with the city in processing a joint application for annexation of the city's 58 acres and the neighboring 106 acre Couch parcel and sharing the consultant's fees associated therewith. The Couchs accepted this offer.

Fast forward to the last three weeks. City staff suddenly withdraws its offer for a joint annexation application on the stated grounds that it must proceed with the immediate annexation of the treatment plant parcel. However, we have not suggested that the joint application should be delayed in any respect. Further, the city staff is now apparently arguing that the Couch property is a liability, it should remain in the County and not be annexed into the city, and it should remain agricultural watershed. The staff's "position" on the Couch property is like watching a tennis match, you have to pay close attention to determine which side of the net the ball is on.

However, some important things have changed since 2000. The City of American has granted the property the legal right to connect to and utilize the city's water system, sewer system and reclaimed water from the treatment plant. These rights were acquired when the City of American Canyon and Mr. and Mrs. Couch executed a Right of Way Acquisition Agreement. A copy is enclosed for your reference.

Via the agreement, the Couchs granted the City of American Canyon title to a 64-foot strip of land for a public roadway through 2 Eucalyptus Drive that permits Commerce Boulevard to be extended from Green Island Road to Eucalyptus Drive. The Couchs also granted the City a temporary easement to utilize what is now a gravel road through the Couch property for purposes of fulfilling a commitment to CalTrans for a route to permit trucks to haul dirt from the Highway 29 – Trancas Street interchange to the American Canyon landfill at the western terminus of Eucalyptus Drive. In exchange for the roadway land, the City contractually permits the Couch property to connect to the City's water system, sewer system and use city reclaimed water. In addition, the City must construct a water main line running through the property, pay the Couchs \$125,000.00 cash and provide \$125,000.00 in road improvement credits. The water line was to

be installed by the city on or before October 26, 2002. This has not occurred and the city to date has not offered any real assurances of a commencement or completion date.

Another significant factor is that the City of American Canyon agreed that the property should be annexed into the city. Within the past three months, the City Manager offered the property owners the opportunity to pursue a joint application to annex the city's 58 acres housing the new wastewater treatment plant and the adjacent Couch property. The city was also retaining a consultant to handle the application process and offered to split the \$5,000 to \$10,000 consultant's fees for the joint application with the Couchs. The Couchs accepted this offer, only to have the City Manager withdraw about one month ago.

The city's material breach of its contractual obligations to the Couchs by refusing and failing to install the water line, city staff's abrupt about face on its own proposal for a joint annexation application, and city staff's very recent opposition to the property's annexation leads to only one conclusion – they are pursuing some other agenda to gain an advantage over the property owners. While city staff may proffer other reasons for their abrupt about face, none ring more true than the above.

The undeveloped parcel is covered with a eucalyptus forest and intersected by dirt roads and a gravel road. The Couchs rent out sizeable parts of the property to two paintball field operators and a firewood dealer, and smaller sections of the property to tenants who raise animals behind ramshackle fences.

The City of American Canyon filed an eminent domain action in 2000 that resulted in a judgment whereby the City acquired the westerly 58 acres of the 165 acre parcel to build a wastewater treatment plant. Construction of the plant is now complete and it is in operation.

I served as Patricia Couch's trial counsel in the eminent domain action. We retained Arlen Mills as our expert witness real estate appraiser on the issue of valuation of the 58 acres and the City of American Canyon retained Ronald Garland as their expert witness real estate appraiser.

Mr. Garland testified that the 58 acres of the 2 Eucalyptus Drive property was valued at less than \$20,000 per acre because (a) the 165 acre parcel is zoned agricultural watershed; (b) the 165 acre parcel had no water source or sewer service; (c) the property is outside the City limits of American Canyon and thus not entitled to water or sewer service; (d) the property's highest and best use under its current zoning was as a vineyard; (e) removal of the eucalyptus trees is extremely expensive; (f) the existence of thousands of eucalyptus trees on the property for decades create soil conditions unsuitable for vineyards in the absence of expensive soil conditioning/treatment requiring that the soil remain fallow for 12-24 months substantially increase the costs of developing a vineyard. Thus, very serious impediments exist to use of the property for agricultural purposes.

The property's current zoning would permit agricultural/recreational uses such as a campground. However, it is readily apparent that a private pay-for-use campground next to a sewage treatment plant with holding ponds and spray fields is doomed to fail financially.

Since early 2001, the Couchs have been in negotiations to sell the property to Steven R. Brock, a developer. I have represented Mrs. Couch is these negotiations. Mr. Brock offered to work with the City of American Canyon on behalf of the Couchs to obtain a roadway through the property from the north to Eucalyptus Drive at the southern end of the property and utilities for the property. Mr. Brock also agreed to utilize his best efforts to obtain the annexation and rezoning of the property. The efforts of Mr. Brock, myself and others resulted in the execution of the Right of Way Acquisition Agreement described above.

The property has been in the Couch family for over 50 years. Its history is checkered with some events that Mrs. Couch takes no pride in, but also were beyond her control. Many of the problems stem from the proximity of the property to the American Canyon landfill, illegal dumping on the property, unauthorized persons conducting illegal activities on the property, and the eucalyptus grove making it difficult for the Couchs and authorities to prevent such activities.

A 1993 Napa County Superior Court nuisance action arose out of existence of debris on the property. Much of the debris was the result of people illegally dumping on the property in lieu of paying fees at the American Canyon landfill. I served as Patricia Couch's trial counsel. Ms. Couch's cooperated with the District Attorneys' office in devising a plan to clean up the property. The result was a Final Judgment filed in 1993 that requires the Couchs to remove the debris and certain small structures.

Ms. Couch and her sons have cleaned up a great deal of the property. Yet, much work remains to be done. Most of what remains on the property at this date is debris illegally dumped on the property by former tenants and "junk" owned by Robert L. Couch, Jr.

Two things will greatly advance the clean up of the property. First, the City of American Canyon paying for the clean up of the 64 foot wide strip it acquired from the Couchs will clean up some of the worst areas on the property. That would, however, still leave a great deal to be done. Completion of the balance of the clean up and making this property productive and a value to the city and county is not likely to occur in the absence of annexation and rezoning for some mixed use consistent with the current development in the area.

Ms. Couch and I thank you for your time in considering this information. Should you or the commission require additional information, we would happy to supply it.

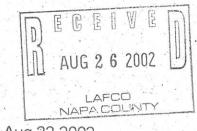
Sincerely,

Norbert U. Frost

cc: Patricia Couch



Daniel Schwarz, Executive Officer LAFCO of Napa County 1804 Soscol Avenue, Suite 205 A Napa, CA 94559-1346



Aug.22,2002

Re: Comprehensive Study of American Canyon (the "Study")

Dear Mr. Schwarz:

I attended the July 30th Informational Meeting regarding the Study on behalf of Jaeger Vineyards. The presentation was very informative and we appreciated the opportunity to view the preliminary study area maps. We look forward to meeting with you to discuss our property and area land use issues in detail.

This letter is in response to the LAFCO Study as presented and the proposed study area boundaries. We believe that there are a few important initial refinements necessary in order to effectively deal with the LAFCO issues in the area.

As way of background, Jaeger Vineyards is a major landowner within the Study Area, in particular, Study Areas 3 and 4. The Jaeger Vineyard parcels have multiple uses including vineyards, old buildings from previous industrial uses. lumber storage yards, residential and other commercial activities. Secondly the parcels include land within American Canyon, land within the American Canyon Sphere of Influence, and portions of parcels in unincorporated Napa County. With respect to a major portion of its property, Jaeger Vineyards has spent a substantial sum of money and a great deal of effort in studying the constraints and opportunities for the best use of the land.

After reviewing the Study Areas Map and listening to the objectives of the Study, we believe that the following concerns should be addressed:

- 1. Study Area 4 should be expanded to include the entire Jaeger parcel (i.e., currently the easterly portion of the parcel is outside of the study area). The reasons for this refinement include
 - The Study area boundaries should reflect the actual boundaries of legal parcels. Large tracts of land owned by a single entity

allow for the efficient study of large areas. This is not the case when there are many different owners with differing interests. Since Jaeger Vineyard is a large landowner in the area, the tracts of land owned by Jaeger Vineyards should be studied as a whole and not artificially broken up;

- b. by including the larger parcel, better planning can be accomplished through taking into consideration site characteristics (e.g. topography, drainage patterns, traffic circulation issues) vs. relying on the arbitrary boundary line currently shown;
- c. the easterly portion of our property is bounded on most of its border by land within the study area; and
- d. the entire parcel shares attributes of many of the parcels currently included in the study it is in close proximity to existing, under construction, or planned intense land uses in the City of American Canyon. Any and all of this activity has an affect on the parcel in its current uses and potential future uses.
- 2. The study area boundary between Study Area 3 and 4 should be moved north and not be cut at Watson Road. What affects one side of the road certainly affects the other. In addition, a study which address corridors vs. artificial lines on maps are much more effective in addressing the issues this is especially the case for east-west roads in the American Canyon area.
- 3. The Study must look at traffic circulation in the entire area. In particular, the Study must look at Flosden Road, how it is being extended through the Duc development, and how it will be extended through the Jaeger Vineyard property.

Thank you for allowing Jaeger Vineyards to participate in this process and please keep me informed of your progress. Please call me at your earliest convenience if you have any questions or concerns with the important changes discussed above.

Very truly yours,

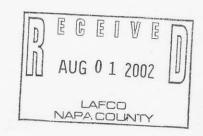
lack Jaeger, Jaeger Vineyards

129-10th ST, DEL MAR, CA. 92014

Mark R. Power Napa Canyon, LLC 23 Pinnacle Peak Napa, Ca 94558

July 31, 2002

Daniel Schwarz, Executive Officer Local Agency Formation Commission County of Napa 1804 Soscol Avenue, Suite 205A Napa, California 94559-1346



Re: Assessor's Parcel No. 059-040-041—Request for Inclusion in the Sphere of Influence—City of American Canyon

Dear Mr. Schwarz:

Thanks very much for meeting with my planning consultant, Jeffrey Redding, to discuss the evaluation of the existing Sphere of Influence study that LAFCOM is conducting for the City of American Canyon. As Mr. Redding indicated to you, we are the owners of Assessor's Parcel No. 059-040-41, a 50-acre parcel currently located in the unincorporated area of Napa County. Approximately half of the existing parcel, 25 acres, is already included within the City's Sphere of Influence as adopted by LAFCOM in 1991 in conjunction with the incorporation of the City of American Canyon. It is our desire to include the remaining 25 acres of the parcel in the City's Sphere so that the City of American Canyon or we may ultimately apply to LAFCOM to annex the entire parcel. Having the entire parcel instead of a portion of it within the City's Sphere will allow for a more comprehensive planning approach not only for this parcel but for the adjacent 342 acres that we own east of the subject parcel. It is our understanding from Mr. Redding that LAFCOM staff is currently reviewing the City's Sphere of Influence and is seeking information from property owners as it prepares its report to the Commission in support of changes to the Sphere.

We understand that the California Government Code (@ section 56841) requires LAFCOM to consider certain factors during its review of any proposed amendments to a Sphere of Influence boundary. While we know that you and your staff will conduct an independent evaluation of the factors that relate to the Commission's decision of whether or not to amend the existing City of American Canyon sphere of influence to include the entirety of our parcel, we have taken the liberty of summarizing the factors and providing some evidence which we hope you will consider during your investigation. We follow the summary with a more detailed discussion of why we believe that our request to be consistent with applicable County and City General Plans.

Summary of Findings

Mr. Schwarz, we believe that inclusion of the entire 50-acre parcel within the City's Sphere of Influence is consistent with existing LAFCOM policies, the County of Napa General Plan and the policies and objectives of the City of American Canyon. We ask you and your staff to note the following factors relating to the subject parcel:

- 1. We believe that based upon both the Napa County General Plan diagram (Figure 14) and numerous policies with the Plan that the entire 50 acres is designated as 'urban residential'. The Napa County Board of Supervisors and the Commission have repeatedly recognized and acknowledged that the 15% slope line separates the General Plan's Urban and Open Space land use designations. In cases where the land use diagram appears to split a parcel between an 'urban' and an open space designation those portions of the parcel that are less than 15% slope have been considered to be 'urban' with those portions greater than 15% slope considered within the open space designation. Please note that the entire 50 acre parcel has slopes of less than 15%;
- 2. Use of this entire 50-acre parcel for urban development is consistent with the goals and objectives of the American Canyon General Plan. While only half of the parcel is currently within the Sphere of Influence, the City clearly contemplated urban development on this entire parcel when the General Plan was first adopted in 1992 and most recently in 1997 when the urban limit lines of the City were re-evaluated.¹:
- 3. Currently only 25-acres is in the Sphere of Influence. This acreage figure was estimated in large part through measurement of the portion of the parcel that was designated on the County's General Plan as 'urban', yet the remaining 25 acres has identical soil, topographic conditions and is similarly unsuitable for agricultural as the 25 acres already designated for urban uses;
- 4. Assuming consistency with adopted LAFCOM policy, current LAFCOM policies favor annexation of entire parcels rather than portions of parcels as it facilities a more comprehensive planning approach;
- 5. The 50-acre parcel is <u>not</u> suitable for agricultural uses according to the analysis of the well-respected vineyard service company, Nord Coast Vineyard Service. The site contains excessive levels of boron which is "too high for vineyard production";²
- 6. The parcel is locating in an urbanizing area with the recently approved Duc Housing project (690 units approved) to the west and the Shea Homes project (466 homes under construction) directly across American Canyon Road to the

¹ Please see attached Resolution no.97-54 that represents a recent evaluation by the City of its policies and objectives relating to urban limit lines and annexation policies.

² Please see attached excerpt from the August, 1997 report prepared by Dr. Don Clark and Julie Nord, Coast Vineyard Service

south. With the Newell Open Space Preserve on the north and the proposed vineyard development to the east, this parcel is the last logical parcel for inclusion in the City's Sphere in the southeast portion of the City, an area clearly recognized and intended for urban uses in both the City and County General Plans;

- 7. We have offered the dedication of some 5 acres more or less of land along our western boundary for the construction of the Flosden Road extension so that this segment of the City's circulation plan can be implemented. Once constructed, the subject parcel will have arterial roads along both the west and south side property lines;
- 8. Completion of the above mentioned projects will result in a full array of urban services being available to this parcel;
- 9. This parcel is one of the largest remaining parcels currently designated in both the City and County General Plans for urban development³. Surrounded on the south and east by developing subdivision and planned unit developments and with a full array of City services available, this parcel represents infilling and completion of the urban edge in the southeast quadrant of the City. With such a limited amount of urban land available to the City careful development of this entire parcel could help the City fulfill a number of General Plan goals and objectives. We have been talking with the City about a mixed-use development with a mixture of income housing, public use restaurant, and executive golf facilities.⁴
- 10. The planning conducted on behalf of the subject parcel has been carefully coordinated and master planned with the adjacent 342 +/- acres to the east. Projects contemplated for the adjacent parcel include development of a vineyards, resource protection for American Canyon riparian corridor and consideration of construction of trailhead to provide access to the Newell Open Space Preserve that abuts the parcel to the north. These projects are all consistent with both the County zoning and General Plan and the goals and objectives of the American Canyon General Plan⁵;

Consistency with City and County General Plans

Napa County General Plan

Figure 14 of the Napa County General Plan designates the subject parcel as Urban-Residential with the exception of the 25-acre portion that we would like to include in the City's Sphere of Influence that is shown on Figure 14 as AWOS (Agriculture, Watershed and Open Space. However, in order to fully determine consistency with the General Plan

³ According to the April 11, 2002 report entitled, Planning and Building Department, Project Activity and Status Report" the remaining build out potential remaining on infill parcels is 100 units. This figure does not include the 25-acre portion under consideration herein.

⁴ Please see Exhibit entitled Conceptual Site Plan Napa Canyon LLC (to be submitted under separate cover)

⁵ Please see attached Exhibit entitled, Napa Canyon LLC Master Plan (to be submitted under separate cover)

it is essential that existing policies and actions by the legislative body be examined. State law provides that consistency be judged in terms of compatibility with the "objectives, policies . . . and programs specified in the plan." ⁶

The Napa County Board of Supervisors and the Commission has long recognized and acknowledged that the 15% slope line separates the Napa County General Plan's Urban and Open Space land use designations. This recognition is based directly on existing General Plan policy which mandates that the county protect "areas having slopes of 15% or more for watershed [purposes] . . . "8 This same 15% slope line is established in policy 3.9 to demarcate the definition of hillside agriculture, with lands of lesser slope intended for non-agricultural uses. The entire 50-acre parcel has slopes of less than 15%.

While the County is appropriately committed to the protection of prime agricultural lands, the subject property is <u>not</u> suitable for agricultural uses according to the analysis of the well-respected vineyard service company, Nord Coast Vineyard Service in its report dated August 20, 1997. The site contains excessive levels of boron which "too high for vineyard production.⁹ In addition, the subject parcel is served by full array of adequate urban services and roadways. The combination of the longstanding designation of this parcel for urban uses, the unsuitability of the 50-acre parcel for productive agricultural use and the availability of urban services strongly support inclusion of this parcel in its entirety within the City of American Canyon. This position is supported by county policy that encourages those parcels within urban areas, served by urban services be included with established urban areas.¹⁰

Inclusion of the 25 acres would establish a logical demarcation of the City's ultimate urban limit line in the southeast quadrant of the City as the parcel immediately to the east is proposed fro vineyard development and thus would not meet either city, county or LAFCOM criteria for inclusion within the city's sphere of influence. Establishment of the urban limit line in this area would bring closure and resolution to the longstanding debate between the county and the city.

City of American Canyon General Plan

Use of this entire 50-acre parcel for urban development is consistent with the goals and objectives of the American Canyon General Plan. While only half of the parcel is currently within the Sphere of Influence adopted by LAFCOM, the City clearly contemplated urban development on this entire parcel when the General Plan was first adopted in 1992 and most recently in 1997 when the urban limit line of the City was reevaluated. The City General Plan designates the subject, 50-acre parcel and the

⁶ Section 65860 of the California Government Code

⁷ See letter dated November 7, 1997 from the Napa County Planning Director

⁸ Open Space and Watershed Issues, policy 1.5.

⁹ Op. Cit

¹⁰ Residential polices 4.10, 4.11, 4.12 and 4.13.

¹¹ Op. Cit.

adjacent 342-acre parcel for urban uses. Specifically, each parcel is designated for Residential Estate/Commercial Recreation (RE/CR-1) uses, with densities of 1-2 units per gross acre. The proposed development of this acreage as detailed on Exhibit ____ is consistent with both the density and uses permitted within the RE/CR-1 land use designation.

Inclusion of the additional 25 acres is consistent with the City's General Plan policies relating to Management and Phasing of Growth and City Services and Jurisdiction. ¹³ Just to focus on two examples, Goal 1B, policy 1.2.2 mandates that the city:

establish as a priority the development of projects that are contiguous with and infill the existing pattern of development, avoiding leapfrog development, except for large-scale master-planned projects that are linked to and planned to be extensions of existing development and for which infrastructure and services are in place or funded

The acreage proposed for inclusion in the City's Sphere is immediately adjacent to the recently approved 690 unit Duc Housing project to the west and the 466 unit Shea Housing project to the south. Infrastructure including water, sewer and the Flosden Avenue extension are available to the subject parcel as a result of these two projects. The subject parcel is part of a master planned development that includes not only the 50-acres of the subject parcel but the 342 acre parcel proposed for agricultural and open space/resource protection immediately to the east.

Goal 1Q, Policy 1.31.4 states that the City will:

Pursue the annexation of lands on both sides of significant arterials (i.e., Highway $29, \ldots$, and portions of Flosden Road) to ensure cohesive and compatible design, planning and future development.

The subject parcel is a designated urban residential parcel located north of Flosden Avenue extension. The nature of the proposed development is compatible with the mixed-use development approved by the City for the Duc Housing project to the west.

In summary, development of the subject parcel with urban uses would truly represent infill development and would contribute to t eh orderly development and completion of urban development in the southeast area of the City. This parcel, surrounded by urban development provides an opportunity to develop urban uses in a manner clearly consistent with and contemplated by the City's adopted General Plan In its April, 2002 Planning and Building Department Activity Report, the City notes that the remaining build out potential within the existing city limits is a mere 540 units, just 6% of units contemplated for development under the adopted General Plan. Including the remaining 25 acres within the City's Sphere is logical at this time inasmuch as the parcel

¹² Exhibit 2 of Resolution No. 97-54, op. cit

¹³ Goals 1B and 1Q of the City of American Canyon General Plan, as amended, November 6, 1997.

cerely

Canyon LLC

has been designated for urban residential uses by both the County and the City, is contiguous to parcels already undergoing urban level development, has adequate urban infrastructure available to it and is not suitable for productive agricultural uses.

At a time when Napa County and its cities are increasingly called upon to both maximize housing opportunities while at the same time protecting its world-renowned agricultural economy, we think it is incumbent upon all county agencies, both state and local, to carefully evaluate those opportunities where both of the above goals can be realized. The subject 50-acre parcel is one of those unique parcels where development of appropriate urban uses is consistent with long standing goals of both the City and County. While we understand that LAFCOM aha additional responsibility beyond determining consistency with applicable city and county general and specific plans, we hope that you will look favorable upon our request for including of our parcel within the City's Sphere of influence. We would be most pleased to meet with you or your staff at your convenience and would welcome the opportunity to provide you with any additional information you may require to assist you with this important task.

We have had the opportunity to review our proposal and desire to be included within the City of American Canyon with City officials and will soon be submitting a formal request for City Council support of our application.

6

LAFCO of Napa County 1804 Soscol Avc. Napa Ca. 94559

LAFCO Announcement regarding LAFCO'S Comprehensive Study of American Canyon

Two petitions are now on file with LAFCO. These petitions, signed and approved by the Majority of the property owners bordering the area cast of highway 29 and Paoli Loop In southern Napa county north of the city of American Canyon. The first petition requested exemption from the city during its formation. The second requested non-approval of an annexation by the city of Am.Can. for the said area of Watson Lane. Both Petitions were accepted and approved by LAFCO.

Services now provided by Am.Can. were those in affect prior to the now formed city Except for a fire district which does not apply to all concerned. The other two pre-existing services are water and garbage. All sewer systems are county approved septic systems

Most Watson Lane sites are one acre or more with majority more. They contain residences, business property, live-stock, agriculture, vineyards and open space.

Comments:

a.)Local residence are quite satisfied with Napa county service and see no need for yet another layer of government, Fees or taxes.

b.) The present city water service leaves much to be desired by some of the people especially those at the end of the line that must endure low pressure and water that must be filtered by filters provided by the city of Am.Can.

c.) With the rapid expansion of the Green Island Road industrial area west of Watson Lane the truck traffic alone is counted in "TRUCKS BY THE MINUTE". Paoli Loop is pocked to destruction with invisible maintenance performed.

d.) Traffic added by nearly un-controlled housing tracts plus Green Island and the airport area create a most unacceptable situation that does not soon have resolution in sight if ever?

e.) It appears by simple deduction and tabloid information that the Am.Cn. city government cannot fully cope with the massive growth it is allowing and further encouraging more.

As quoted in LAFCO'S announcement, the next comprehensive review will not be till 2007. It is strongly suggested that the present sphere of influence (SOI) be reviewed at this time to determine if the city might benefit with a reduction of their present SOI to aid them in their most trying of times. The 2007 time period would perhaps allow a retrofit position from a down size amendment consideration undertaken now.

Thank You

JOE CLERICI

AS REQUESTED BY

MR SCHWARZ

17 NOV LTR.